Executiv

Suing to open the telecom market

Lebanese Internet Service Provider (ISP) and broadband operator Cedarcom is taking legal action against the country's Ministry of Telecommunications (MoT) and government-owned GSM mobile network operators, Alfa and MTC. Cedarcom is mounting a legal challenge against Mobile Interim Company (MIC) 1 operated by Alfa, and MIC2 operated by MTC for monopolistic and unfair competition practices. Lebanon's largest ISP claimed that the MoT, Alfa and MTC had breached telecom Law 431, ratified in 2002, by taking active steps to implement 3G networks and services without having received the required licenses from the Council of Ministers and the Telecommunications Regulatory Authority (TRA) in Lebanon. Cedarcom stated



that the Lebanese Telecom Association, which includes a number of Lebanese ISPs, had repeatedly cautioned the MoT and TRA on the threat of a new monopoly in wireless broadband services if 3G services were introduced in the absence of proper licensing, equal taxation and fair competition among government-owned and private operators. Cedarcom also argued that fixed-line and mobile GSM monopolies are already there, adding that private ISPs and data operators are kept on interim transitory yearly licenses, prohibited from increasing their DSL capacity and forced to pay up to 60 percent of indirect and direct taxes, all rules and regulations from which Alfa and MTC are exempt.

